

Congressman Ernest Istook, 5th District of the State of Oklahoma

## FOR IMMEDIATE RELEASE

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## Contact: Steve Jones (405) 570-0880

## Istook Asks IRS for Fuel Help For Businesses, Self-Employed

Washington DC – Citing continued high gasoline prices, Congressman Ernest Istook (R-5<sup>th</sup> District) today asked the IRS Commissioner to allow individuals and businesses to deduct more for gasoline expenses.

In a letter to Internal Revenue Service Commissioner Mark Everson today, Istook urged a temporary increase in the optional standard mileage rate, saying small businesses and the self-employed particularly need to be able to offset the higher gas prices.

"In a marketplace where profits are measured in pennies on the dollar, small businesses in Oklahoma and in every state of this country are depending on the IRS to set a rate that reflects the increased costs they bear for the rising price of gasoline," Istook said.

In September of 2005, the IRS increased the deduction to 48.5 cents per mile in response to higher gasoline prices in the aftermath of hurricane Katrina. Lower gasoline prices by the end of 2005, however, resulted in the rate being dropped to 44.5 cents per mile for 2006.

Istook noted the situation is worse now than it was after hurricane Katrina, saying, "The high gas prices that triggered a short-term increase last fall have become routine during 2006. In fact, gas prices are even higher now than they were last year when the IRS granted a temporary eight-cent increase to the optional standard mileage rate."

The IRS would otherwise be expected to evaluate the optional standard mileage rate at the end of the year, but Istook said American small businesses can't wait for relief.

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"I implore you to reevaluate this situation," Istook wrote to Commissioner Everson.

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